

UNITED STATES DISTRICT COURT  
DISTRICT OF MAINE

BENJAMIN SILVA d//b/a     )  
PARKMAN AUTO,             )  
                                   )  
                  Plaintiff     )  
                                   )  
v.                                 ) Civil No. 01-53-B-C  
                                   )  
BURT’S BEES, INC., ET AL.,) )  
                                   )  
                  Defendants     )  
                                   )

**RECOMMENDED DECISION ON DEFENDANTS’  
MOTION FOR SUMMARY JUDGMENT**

Silva, the owner/operator of Parkman Auto, originally filed this complaint in Piscataquis County Superior Court. It was removed here by the defendants. Silva asserts eight counts against Burt’s Bees, Inc., Roxanne Quimby, Burt Shavitz, and Robin Bowman arising out of the publication of certain promotional materials designed to promote the marketing of Burt’s line of personal care products. The materials contain a photograph with Silva’s business, Parkman Auto, in the background and accompanying text that references Parkman Auto. State law claims predominate in seven counts: (I) defamation; (II) invasion of privacy; (III) deceptive trade practices; (IV) trade name infringement; (VI) interference with advantageous economic relations; (VII) trespass; and (VIII) infliction of emotional distress. Count V asserts Lanham Act claims under 15 U.S.C. § 1125(a)(1)(A) and (B). Defendants filed a motion for summary judgment as to all eight counts or alternatively partial summary judgment. (Docket No. 7). For reasons explained below, I recommend that the Court **GRANT** defendants’ motion for summary

judgment as to Count V, the Lanham Act claims, and **REMAND** the remaining counts to the state court for further proceedings.

### **Summary Judgment Standard**

Summary judgment is appropriate when the record shows “that there is no genuine issue as to any material fact and that the moving party is entitled to a judgment as a matter at law.” Fed. R. Civ. P. 56(c). An issue is “genuine” if, based on the record evidence, a reasonable jury could return a verdict for the nonmoving party. Anderson v. Liberty, 477 U.S. 242, 248 (1986). A fact is “material” when it has the “potential to affect the outcome of the suit under applicable law.” Nereida-Gonzalez v. Tirado-Delgado, 990 F.2d 701, 703 (1<sup>st</sup> Cir. 1993). The court reviews the summary judgment record in the light most favorable to the nonmoving party. Levy v. FDIC, 7 F.3d 1054, 1056 (1<sup>st</sup> Cir. 1993). However, summary judgment is appropriate “against a party who fails to make a showing sufficient to establish the existence of an element essential to that party’s case, and on which that party will have the burden of proof at trial.” Celotex Corp. v. Catrett, 477 U.S. 317, 322 (1986).

### **Facts**

Burt’s Bees, Inc. is a company which produces personal care products such as lip balm and skin lotion. Burt Shavitz, a resident of Parkman, Maine, founded Burt’s Bees, now solely owned by the company president Roxanne Quimby. (Defs.’ Statement of Material Facts (DSMF) ¶¶ 3, 4.) The company began in Maine but moved its headquarters to North Carolina in 1994. (Id. ¶ 2.) Robin Bowman, a commercial photographer, took the photograph appearing in the promotional materials giving rise to

this complaint. (Id. ¶¶ 5,6.) Roxanne Quimby wrote the accompanying text. (Id. ¶ 4.) Both the photograph and the text prominently feature Burt Shavitz and his motorcycle.

In the Spring of 1998, Shavitz and Bowman entered the property of Parkman Auto, a sole proprietorship owned by Silva. (Id. ¶ 7.) Bowman, an editorial photographer on an assignment for People Magazine, began taking pictures of Shavitz, his motorcycle, and area residents who were present. (Id. ¶¶ 6, 9; Pl.’s Resp. Defs.’ Statement of Material Facts (PRSMF) ¶ 40.) Silva knew that Shavitz and Bowman were on his property and he eventually became aware that Bowman was taking photographs. (DSMF ¶ 10.) Silva did not know why the photographs were being taken, but thought that perhaps Shavitz was “trying to impress his friends.” (PRSMF ¶ 29.) Although Silva never asked Bowman to leave his property, he did tell Shavitz, who had borrowed a hammer from him, “when you’re done with the hammer, get the f-- out of here.” (DSMF ¶ 8.)

At some later date Quimby selected a Bowman photograph for use in Burt’s Bees promotional materials. (DSMF ¶¶ 6, 12.) Neither Bowman nor Shavitz participated in selecting the photograph for these materials or in writing the accompanying text. (Id. ¶¶ 15, 16.) The photograph features Shavitz sitting on a motorcycle and four men standing slightly behind him looking into the camera. (Ex. 1.) One man is smoking and another is drinking from what appears to be an aluminum can. (Id.) The Parkman Auto garage appears in the photograph with an open sign in the window, the lights on, a sixth man leaning against the open garage doorway, and a sign “Parkman Auto” above the door. (Ex. 1.) There are two vehicles in an obvious state of disrepair parked in front of Parkman Auto. (PRSMF ¶ 64.) The photograph was published in at least 70,000

catalogues and 110,000 brochures and it appears on 4,400 t-shirts and 5,000 posters, all produced by Burt's Bees, Inc.. (DSMF ¶¶ 11, 13; PRSMF ¶ 52.)

Prior to using the photograph Quimby considered obscuring the Parkman Auto name, but did not. (PRSMF ¶ 51; Ex. 1.) However, she removed Parkman Auto's phone number. (PRSMF ¶ 51.) Quimby did not discuss with anyone a need to obtain a release (Id. ¶ 44) and there were no written releases, permissions, consents, or authorizations from Silva in connection with the photograph. (Id. ¶ 41.)

The catalogues and the brochures that contain the photograph of Parkman Auto also contain text written by Quimby that references the Parkman Auto Body Shop and Inspection Station. (DSMF ¶ 14.) Across part of the photo is the title "Bad Company" and underneath are the words "As told by Roxanne Quimby." (Ex. 1.) The text, as it appears in the promotional materials, is as follows:

The testosterone runs deep among the men of Parkman, away up there north of Bangor, Maine. Winters are cruel, they call summer "Rough Sledding," and only the rugged survive. That goes for vehicles too of course, so there's always lots of business at the Parkman Auto Body Shop and Inspection Station down on the Slab City Road near Burt's place. Not many paying customers though, so the boys always have plenty of time for Burt when he drops by for advice on whatever's gone wrong with his motorcycle that day.

He found the thing covered with rust and dust in an abandoned garage up in Monson, and tracked it back to its third owner, who'd been dead fifteen years, so it was no spring chicken when he bought it from the heirs. A couple of years in the shop helped, though, so by the time he passed the State of Maine Motorcycle Driver's License and Safety Test Invitational, they'd fixed it so she'd start almost every other time.

Feeling pretty encouraged by all the progress and knowing that clothes make the man, Burt splurged on a leather jacket he'd been eying for some time over at the Helping Hands Thrift Shop down in the basement of the Methodist Church. It drank up about a gallon of his special homemade beeswax leather dressing before he could get it to bend at the elbows, and of course its only moving part, the zipper, was broke, but I guess that's

why he was able to dicker the price down to three dollars from the couple hundred that he knew it was worth.

Now, Burt's [sic] not much of an organization man, but that didn't stop him from joining up with the United Bikers of Maine Motorcycle Riding Club. The membership dues were only ten dollars, and since the local chapter met at his favorite bar anyway, he figured he wouldn't have to go out of his way much for the meetings. Seems like the home boys had taken quite a disliking to the latest attempt of those bureaucrats down in Augusta, or Disgusta as they call it, to tread on their civil right not to wear helmets. "Let Those Who Ride Decide" was the club motto, and the boys were planning a rally next summer to prove beyond a shadow of a doubt that their heads were hard enough without the helmets. They're calling it the Beast of the East, and its all the way down to Portland, and they're having a pig roast and tee shirts and inviting the Mayor, and it will truly be an inspiring demonstration of solidarity as you can imagine. They wanted Burt to head up the gang riding down from Parkman, but he had to pass on the opportunity since he'd never been that far before, what with his top speed being 30 and the breakdowns. Everyone's a little disappointed except Rufus, who's still waiting for somebody to hook up the sidecar Burt bought him at the North Dexter Grange Flea Market last spring. The boys are worried it'll slow her down to a crawl, plus cramp Burt's style on the curves, so Rufus is mostly hoofing it or else riding shotgun in the pickup while they mull over their options. Burt wheels her out solo for a whistle between the ears now and then, but his heart's not really in it without Mr. Wonderful along.

Meantime, we're fixing to put them back out in the van again, heading for the College Campus Tour and Tee Shirt Extravaganza. They were quite a sensation down at Ol' State last fall, so it looks like we finally found a use for him and the dog. Hope you'll run into them yourself one of these days soon. You'll recognize it when you see them, no mistaking it, passing out tee shirts and lip balms and looking better than their pictures, even. It's a kind of guerrilla marketing technique that we're trying out, for obvious reasons, and we're not sure yet if it works or not, but it's the best shot we've got, what with the family resemblance and low overhead.

We put the beauty in the product, folks. We have to.

(Ex. 1 at 2-3.)

The parties agree that Quimby's reference to Parkman Auto in the text of the catalogue and brochure refers to Silva's Parkman Auto. (DSMF ¶ 14; PRSMF ¶ 47.)

Quimby's intent by the use of the words "there's always lots of business at the Parkman

Auto Body Shop and Inspection Station” was to be satirical or humorous. (PRSMF ¶48.) Quimby has never had business dealings with Silva or Parkman Auto. (Id. ¶ 61.) She based her statements regarding the amount of business and the number of paying customers solely on her observations from driving by Parkman Auto and seeing it closed at various times. (Id. ¶ 62.)

Silva is the only employee of Parkman Auto and at times has worked other jobs and only part-time at Parkman Auto. (Id. ¶ 59; Defs.’ Reply to Pl.’s Additional Statement of Material Facts (DRSMF) ¶ 26.) However, he has never worked on Shavitz’s motorcycle. (PRSMF ¶¶ 30, 56.) Parkman Auto generally opens three to seven days per week from 9 A.M. to 5 P.M. depending on the workload. (Id. ¶ 23.) Silva advertises Parkman Auto locally, using flyers and newspapers, and averages three to four customers a week. (DSMF ¶¶ 19, 25.) When Silva had a license to perform auto inspections, he performed about sixty inspections per year. (Id. ¶ 20.) The number of customers varies depending upon the type of work being done; larger jobs can take up to three weeks, but a few small jobs can be done in one week. (PRSMF ¶ 35.) Ninety-five percent of Parkman Auto’s customers come from within a twenty-mile radius of Parkman, Maine. (DSMF ¶ 25.)

For the past three years, Parkman Auto has generated a gross income of approximately \$17,000 per year. (PRSMF ¶ 37.) In comparison, Burt’s Bees had \$23,000,000 in sales in 2000. (Id. ¶ 54.) Currently, numerous businesses throughout Maine sell Burt’s Bees’ products, including stores in Dover-Foxcroft, Dexter, Greenville, and Bangor. (Id.) Between June 2000, when Burt’s Bees began using promotional materials containing the Parkman Auto photograph and text, and June 2001, its sales

increased by approximately fifty percent. (Id. ¶ 53.) The parties agree that they are not in competition with each other. (DSMF ¶ 21; PRSMF ¶ 21.)

Silva takes issue with the text statement that indicates his station does not have many customers. Although the parties agree that Parkman Auto has three to four customers per week (DSMF ¶ 19; PRSMF ¶ 19), they dispute whether Parkman Auto has “plenty of paying customers.” (PRSMF ¶ 59; DRSMF ¶ 59.) Silva reports that he typically does not work for free, although he may do certain little, simple jobs like changing a fuse for free. (DRSMF ¶ 37.) Silva denies that he has “plenty of time” for Shavitz and claims that on numerous occasions he has asked Shavitz to leave his property. (PRSMF ¶¶ 28, 59.) Further, Silva asserts that the day the photographs were being taken on his property, he asked Shavitz to leave. (PRSMF ¶¶ 27, 32.) The parties also dispute whether Shavitz has ever sought Silva’s advice, as the text reports. (DSMF ¶ 7; PRSMF ¶¶ 7, 30.) Shavitz maintains that he occasionally stopped at Parkman Auto for technical advice. (DRSMF ¶ 30.) However, Silva disagrees and claims that the only reason Shavitz ever came to Parkman Auto was to borrow equipment or try to get something for free. (PRSMF ¶¶ 7, 28, 30.)

## **DISCUSSION**

The Lanham Act, 15 U.S.C. § 1125(a), allows a plaintiff to bring either a trademark infringement or a “false or misleading advertising” case. A trademark infringement action may assert either a false affiliation, connection or association claim or a false designation of origin, sponsorship, or approval claim. 15 U.S.C. § 1125(a)(1)(A). Additionally, a false or misleading representation of fact in commercial advertising or promotion can give rise to liability under the Lanham Act. 15 U.S.C.

§ 1125(a)(1)(B). Silva broadly asserts a claim under each section of the statute arising from the depiction of his business in Burt’s Bees’ promotional materials. Because the undisputed facts support neither a trademark infringement claim nor a false or misleading advertising claim, this court should grant summary judgment to the defendants on Count V.

**A. Trademark Infringement under § 1125(a)(1)(A)**

Plaintiff asserts a “false association” claim pursuant to 15 U.S.C. § 1125(a)(1)(A), which states:

(a) Civil action

(1) Any person who, on or in connection with any goods or services, or any container for goods, uses in commerce any word, term, name, symbol, or device, or any combination thereof, or any false designation of origin, false or misleading description of fact, or false or misleading representation of fact, which—

(A) is likely to cause confusion, or to cause mistake, or to deceive as to the affiliation, connection, or association of such person with another person, or as to the origin, sponsorship, or approval of his or her goods, services, or commercial activities by another person ... shall be liable in a civil action by any person who believes that he or she is or is likely to be damaged by such act.

Section 1125(a)(1)(A) prohibits the unauthorized use of trademarks or service marks, but only where the use creates a “likelihood of confusion” about who produces or provides the goods or services. WCVB-TV v. Boston Athletic Ass’n, 926 F.2d 42, 44 (1<sup>st</sup> Cir. 1990). The only “property right” the trademark statute grants mark holders is the “right to prevent confusion.” Id. at 45 (citing Quabaug Rubber Co. v. Fabiano Shoe Co., 567 F.2d 154, 160 (1<sup>st</sup> Cir. 1977)). Therefore, the “likelihood of confusion” is often the dispositive element in a trademark infringement case. Int’l Ass’n of Machinists & Aerospace Workers v. Winship Green Nursing Ctr., 103 F.3d 196, 200 (1<sup>st</sup> Cir. 1996).

Summary judgment review requires the court to determine “whether the evidence as a whole, taken most hospitably to the markholder, generates a triable issue as to likelihood of confusion.” Int’l Ass’n of Machinists & Aerospace Workers, 103 F.3d at 201. The First Circuit has identified eight factors for determining whether there is a likelihood of confusion.<sup>1</sup> No one factor is conclusive, thus the court must consider all eight. However, the factors are not intended to be exclusive and not every factor is appropriate in each case. The eight factors for assessing a likelihood of confusion are: (1) the similarity of the marks; (2) the similarity of the goods or services; (3) the relationship between the parties' channels of trade; (4) the relationship between their advertising; (5) the classes of prospective purchasers; (6) the evidence of actual confusion; (7) the defendant's intent in adopting the mark at issue; and (8) the strength of plaintiff's mark.

See id.

When the “likelihood of confusion” factors are applied to this case, the failure of the trademark infringement claim becomes quickly apparent. Although the actual mark “Parkman Auto”<sup>2</sup> was displayed, the “similarity of goods” factor weighs against finding a likelihood of confusion because the parties agree that they do not offer similar goods or services. (DSMF ¶ 21, PRSMF ¶ 21.) The next three factors, the relationship between the parties’ channels of trade and advertising and the classes of prospective customers,

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<sup>1</sup> Plaintiff would like this court to deviate from applying these eight factors. (Mem. Opp’n Defs.’ Mot. Summ. J. at 13.) However, the First Circuit, even in the “eccentric case” to which Plaintiff refers, has maintained the applicability of this test as a guide in assessing the likelihood of confusion. Int’l Ass’n of Machinists & Aerospace Workers, 103 F.2d at 202-203 (where union seeking to represent employees brought a trademark infringement action against an employer that used the mark on letterhead to “sell” the lack of a need for union services, the court stated that although the “strange configuration of this case renders certain of [the eight] factors irrelevant, or at least, difficult to apply—square pegs never fit snugly in round holes—we make the effort in the interest of completeness”). Although Plaintiff suggests this court should not apply the eight factors, he does not offer any additional or different factors that resolve this particular case.

<sup>2</sup> It is not relevant that plaintiff has an unregistered trademark. PHC, Inc. v. Pioneer Healthcare, Inc., 75 F.3d 75 (1<sup>st</sup> Cir. 1996) (claimant under 15 U.S.C. § 1125 (a) need not have a registered trademark).

are interrelated and are often considered together. Equine Tech., Inc. v. Equitechnology, Inc., 68 F.3d 542, 546 n.5 (1<sup>st</sup> Cir. 1995). The “relationship between parties' channels of trade” refers to the parties’ distribution method and selling markets. Butcher Co., Inc. v. Bouthot, 124 F.Supp.2d 750, 756-57 (D. Me. 2001). The “classes of prospective purchasers” factor focuses on whether “commercially relevant persons” are likely to be confused or be deceived. Id. Here, the parties agree that ninety-five percent of Parkman Auto’s business comes from a twenty-mile radius of Parkman, Maine (DSMF ¶ 25, PRSMF ¶ 25) whereas Burt’s Bees products are sold throughout the country, including stores in Maine. (PRSMF ¶ 54, DRSMF ¶ 54.) Thus, there may be some slight overlap in the parties’ channel of trade, but not enough to warrant a finding of a likelihood of confusion. The parties do not sell competing goods or services (DSMF ¶ 21, PRSMF ¶ 21), thus the goods and services they sell do not necessarily pass through the same group of consumers. In regard to the “relationship between the parties’ advertising,” the record does not permit a direct comparison. Plaintiff advertises Parkman Auto locally, using flyers and newspapers. (DSMF ¶ 25; PRSMF ¶ 25.) The record does not indicate the manner in which Burt’s Bees products are generally advertised. Nonetheless, the record includes the fact that prior to June or July 2000, Burt’s Bees created at least 70,000 catalogs, 110,000 brochures, 4,400 t-shirts and 5,000 posters to promote its products. (PRSMF ¶¶ 52-53.) Clearly Burt’s Bees uses an entirely different approach to advertising.

The sixth factor, “actual evidence of confusion,” is relevant to the extent that the absence of actual confusion over a period of time can be probative in showing that there is little “likelihood” of confusion. Aktieboltaget Electrolux v. Armtron Int’l, 999 F.2d 1,

4 (1<sup>st</sup> Cir. 1993). The parties dispute whether actual “consumer confusion” has occurred, which is what is considered under this factor. Id.; (see also DSMF ¶ 22, PRSMF ¶ 22.) Plaintiff would like the court to infer from his deposition that “people have told him that [as] a result of the [promotional] materials, they thought he and Burt’s Bees were affiliated or associated.” (PRSMF ¶ 22.) Although the court in summary judgment proceedings views the facts in the light most favorable to the nonmoving party, it need only draw and respect “reasonable” inferences. Int’l Ass’n of Machinists & Aerospace Workers, 103 F.3d at 206. Plaintiff testified in his June 2001 deposition that: (1) people have jokingly told him that as a result of the promotional materials they thought he and Burt’s Bees were somehow affiliated or associated; (2) people “thought that” and “acted like” Burt and Plaintiff “might possibly be friends or something to that nature;” (3) people have asked him if he and Burt are brothers and “things to that effect”; and (4) when people asked him whether he and Burt are brothers or ‘things to that nature’ they were “kind of joking” and “taunting” him. (Silva Dep. at 112; see also PRSMF ¶ 22.) Plaintiff does not offer any evidence of actual consumer confusion since the use of the promotional materials began in June or July of 2000. (PRSMF ¶ 53.) The fact that his friends and relatives taunted him about a possible “relationship” to Burt’s Bees does not support the inference that there has been any consumer confusion.

The seventh factor inquires into the defendant's “intent” in using the allegedly infringing mark. The question here is not whether Quimby intentionally copied the trademark but whether she intended to use the mark to suggest official sponsorship, thereby taking advantage of the plaintiff’s goodwill, reputation, and market recognition. Int’l Ass’n of Machinists & Aerospace Workers, 103 F.3d at 206. Although the

summary judgment record indicates that Roxanne Quimby intended to use Parkman Auto in the photograph (PRSMF ¶ 51; Ex. 1.) and in the text (PRSMF ¶ 48), the record supports the conclusion that the intent was for the name Parkman Auto to be used in a satire. (See id. ¶¶ 48, 62.) The use of a mark in a satire can nonetheless result in consumer confusion; therefore, the inquiry does not end here. See, e.g., Dr. Seuss Enter., L.P. v. Penguin Books USA, Inc., 109 F.3d 1394, 1405 (9<sup>th</sup> Cir. 1997) (stating that a parody can constitute an infringement if it is confusing and the purpose of the parody is to capitalize on a famous mark's popularity for the defendant's own commercial use). However, the passing satirical reference to Parkman Auto in this brochure creates no such confusion nor does it capitalize on the plaintiff's name and goodwill.

The eighth factor, "the strength of plaintiff's mark," focuses on "the length of time the mark has been used, its renown in the plaintiff's field of business, and the plaintiff's actions to promote the mark." Star Fin. Servs., Inc. v. AASTAR Mortgage Corp., 89 F.3d 5, 11 (1<sup>st</sup> Cir. 1996). The Parkman Auto name has been used since 1977 (PRSMF ¶ 26), but it has been promoted minimally and only in the Parkman, Maine area. (DSMF ¶ 25.) There is no evidence in the summary judgment record that plaintiff's mark is strong outside of the local area or has renown in the field of business. Viewing the summary judgment record in the light most favorable to plaintiff, I conclude that no trier of fact could reasonably conclude that defendants' use of plaintiff's mark creates a "likelihood of confusion." Therefore plaintiff's trademark infringement claim fails.

## B. False or Misleading Advertising Claim under § 1125 (a)(1)(B)

Section § 1125(a)(1)(B), of Title 15 states that:

### (a) Civil action

(1) Any person who, on or in connection with any goods or services, or any container for goods, uses in commerce any word, term, name, symbol, or device, or any combination thereof, or any false designation of origin, false or misleading description of fact, or false or misleading representation of fact, which—

(B) in commercial advertising or promotion, misrepresents the nature, characteristics, qualities, or geographic origin of his or her or another person's goods, services, or commercial activities, shall be liable in a civil action by any person who believes that he or she is or is likely to be damaged by such act.

15 U.S.C. § 1125(a)(1)(B) (emphasis added).

Plaintiff charges that defendants violated § 1125(a)(1)(B) by making statements in the promotional materials that are false and defamatory to his business. (Compl. ¶ 4.) He asserts the statements convey the false impression that his work is of poor quality, that he is incapable of properly repairing a motorcycle, that his business does not have many paying customers, and that he supports the proposed Maine Woods National Park & Preserve, which he claims is an unpopular cause in Piscataquis County, Maine. (Id. ¶ 5.). Further, he believes the photograph conveys the false impression that his business is a biker hangout. (Id. ¶ 3).

To be successful in a false advertising claim, a plaintiff must prove, among other things, that a false or misleading<sup>3</sup> statement of fact was made by the defendant in a “commercial advertisement or promotion” about its product or another’s product. Clorox Co. P. R. v. Proctor & Gamble Commercial Co., 228 F.3d 24, 33 n.6 (1<sup>st</sup> Cir. 2000)

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<sup>3</sup> If the statements at issue are literally true, a Lanham Act § 1125(a)(1)(B) claim may nonetheless exist for “misleading advertising” if a plaintiff can meet the burden of showing that the statements are “misleading.” Thus, this theory of recovery under the Lanham Act is independent of a literal falsity. Clorox Co. P. R. v. Proctor Gamble Commercial Co., 228 F.3d 24, 33 (1<sup>st</sup> Cir. 2000).

(listing the five elements of a false advertising claim, beginning with “a false or misleading description of fact or representation of fact by defendant in a commercial advertisement about its own or another’s product”). The Lanham Act does not define the phrase “commercial advertising or promotion” and the First Circuit has not determined its scope. Town & Country Motors, Inc. v. Bill Dodge Auto. Group, Inc., 115 F.Supp.2d. 31, 33 (D. Me. 2000). However, this court has adopted the approach taken in other circuits that defines “commercial advertising or promotion” as “(1) commercial speech; (2) by a defendant who is in commercial competition with the plaintiff; (3) [made] for the purpose of influencing consumers to buy defendant’s goods or services;” and (4) that is “disseminated sufficiently to the relevant purchasing public to constitute ‘advertising’ or ‘promotion’ within that industry.” Id. at 33-34 (emphasis added) (citing Coastal Abstract Serv. v. First Am. Title Ins. Co., 173 F.3d 725, 735 (9<sup>th</sup> Cir. 1999) and Seven-Up Co. v. Coca Cola Co., 86 F.3d 1379, 1384 (5<sup>th</sup> Cir. 1996)). See also Proctor & Gamble Co. v. Haugen, 222 F.3d 1262, 1273 (10<sup>th</sup> Cir. 2000) (applying the same approach). Thus, without commercial competition a false or misleading advertising claim cannot be maintained.

The Seventh Circuit followed a similar approach in a false advertising case where the plaintiff produced candy and the defendants offered computer hardware and services. L.S. Heath & Son, Inc. v. AT&T Info. Sys., Inc., 9 F.3d 561, 575 (7<sup>th</sup> Cir. 1993). Heath alleged that defendant violated the Lanham Act by publishing an advertisement, originally with Heath’s consent, claiming, “Once Heath chose AT & T, all the ingredients came together.” In reviewing the district court’s summary judgment decision, the Seventh Circuit stated, “In order to have standing to allege a false advertising claim,

however, the plaintiff must assert a discernible competitive injury. Because Heath is not in the computer business and thus is not a competitor of AT&T, Heath does not have standing to raise the false advertising claim.” See *id.* (citing *Waits v. Frito-Lay, Inc.*, 978 F.2d 1093, 1109 (9<sup>th</sup> Cir. 1992)).

Plaintiff correctly argues that not every Lanham Act claim requires that the plaintiff and defendant maintain commercial competition or that plaintiff establishes a competitive injury, but he ignores the fact that a false advertising claim under the Lanham Act does require the plaintiff demonstrate commercial competition. Likewise he suggests that the eight-factor likelihood of confusion test need not be applied in every Lanham Act case and that plaintiff need not always show consumer confusion to maintain an action. Equally true, but plaintiff must show likelihood of confusion to maintain a false association claim under the Lanham Act. Although plaintiff attempts to broadly assert claims under both § 1125(a)(1)(A) and (a)(1)(B), his proof fails under either prong and summary judgment is appropriate.

### **C. Remaining State Law Claims**

Where the district court has dismissed all claims over which it has original jurisdiction, the court has discretion to decline to exercise supplemental jurisdiction over a claim, 28 U.S.C. § 1367(c), but it must reassess its jurisdiction by “engaging in a pragmatic and case-specific evaluation of a variety of considerations that may bear on the issue.” *Camelio v. American Fed’n*, 137 F.3d 666, 672 (1<sup>st</sup> Cir. 1998). These considerations include “the interests of fairness, judicial economy, convenience, and comity.” *Id.* Plaintiff wishes to litigate the state law claims in state court, but defendants ask this court to retain jurisdiction. (Pl.’s Mem. Opp’n Defs.’ Mot. Summ. J. at 3-4;

Defs.’ Reply Mem. Supp. Mot. Summ. J. at 8-9.) The First Circuit has stated that “[n]eedless decisions of state law should be avoided both as a matter of comity and to promote justice between the parties, by procuring for them a surer- footed reading of applicable law.” Camelio, 137 F.3d at 672 (citing United Mine Workers v. Gibbs, 383 U.S. 715, 726 (1966)). Plaintiff’s Lanham Act claims fail for reasons unrelated to the merits of the state law claims. In light of the recommended decision to grant defendants’ motion for summary judgment on the only federal claim over which this court has original jurisdiction, I recommend that the court decline to exercise supplemental jurisdiction over any of the other claims.

### **Conclusion**

For the foregoing reasons, I recommend that the court **GRANT** defendants’ motion for summary judgment as to Count V and that the court decline to exercise supplemental jurisdiction over the remaining state law claims and **REMAND** the matter to the state court for further proceedings.

### NOTICE

A party may file objections to those specified portions of a magistrate judge’s report or proposed findings or recommended decisions entered pursuant to 28 U.S.C. § 636(b)(1)(B) for which *de novo* review by the district court is sought, together with a supporting memorandum, within ten (10) days of being served with a copy thereof. A responsive memorandum shall be filed within ten (10) days after the filing of the objection.



